

AMENDED COUNCIL BILL NO. 2011-231

AN ORDINANCE
AMENDING SECTION 32-1 AND ADDING
CHAPTER 32, ARTICLE XIV TO THE CHAMPAIGN
MUNICIPAL CODE, 1985
(Taxation – Local Motor Fuel Tax)

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHAMPAIGN,
ILLINOIS, as follows:

Section 1. That Section 32-1, entitled “Applicability of Article”, of the Champaign
Municipal Code, 1985, is hereby amended to read as follows:

“Sec. 32-1. Applicability of Article.

- (a) The provisions of this Article shall apply to all locally imposed and administered taxes. Such taxes are those that are collected or administered by the City of Champaign and not an agency or department of the State. Such taxes shall include, but are not limited to the following:
 - (1) Municipal Utility Tax (Article IV);
 - (2) Telecommunications Tax Act (Article IV.A.);
 - (3) Hotel and Motel Privilege Tax (Article VI.);
 - (4) Prepared Food Items and Alcoholic Liquor Privilege Tax (Article X.); and,
 - (5) Local Motor Fuel Tax (Article XIV).
- (b) The provisions of this section shall not apply to any taxes imposed upon real property under the Property Tax Code or fees collected by the City other than infrastructure maintenance fees.
- (c) To the extent that any other tax provisions are in conflict with or inconsistent with this article, this article shall be controlling.”

Section 2. That Chapter 32 of the Champaign Municipal Code, 1985, as amended,
entitled “Taxation”, is hereby amended by the addition of Article XIV entitled “Local Motor

Fuel Tax” as follows:

“ARTICLE XIV – LOCAL MOTOR FUEL TAX

Sec. 32-1400. Definitions.

For the purposes of this article, whenever any of the following words, terms or definitions are used herein; they shall have the meaning ascribed to them in this section:

- (a) *Bulk user* means any person who purchases motor fuel for storage in bulk storage facilities located within the City, which facilities are owned, leased, or controlled by the person, for subsequent dispensing into the supply tanks of internal combustion engines operated by the person.
- (b) *Motor fuel* means all volatile and inflammable liquid produced, blended, or compounded for the purposes of, or which are suitable or practicable for, operating motor vehicles.
- (c) *Retail gasoline dealer* means any person who engages in the business of selling motor fuel in the City, to a purchaser for use or consumption, and not for resale in any form.
- (d) *Sale, resale or selling* means any transfer of ownership or possession, or both, exchange, or barter, conditional or otherwise, in any manner or by any means whatsoever for valuable consideration.

Sec. 32-1401. Imposition of Tax.

- (a) There is levied and imposed upon the purchase of each gallon of motor fuel, or fraction thereof, sold at retail within the corporate limits of the City, irrespective of the unit of measure in which it is actually sold, a tax at the rate of four cents (\$0.04) per gallon from and after May 1, 2012.
- (b) The tax herein levied shall be paid in addition to any and all other taxes and charges. The tax herein imposed is not based on the selling or purchase price or gross receipts from the sale or purchase of motor fuel.
- (c) The ultimate incident of and liability for payment of the tax is to be borne by the retail purchaser of motor fuel. Nothing in this subchapter shall be construed to impose a tax upon the occupation of persons engaged in the retail sale of motor fuel.
- (d) If the retail gasoline dealer fails to collect the tax from the purchaser, then the purchaser shall be required to pay the tax directly to the City in the manner prescribed by the City.

Sec. 32- 1402. Collection by Retail Gasoline Dealers.

All retail gasoline dealers shall jointly and severally have the duty to collect, and shall collect and account for the tax imposed in section 32-1401 from each purchaser at the time that the consideration for such purchase is paid. Such retail gasoline dealers shall be the trustee for the City in the collection and remittance of such taxes.

Sec. 32-1403. Improper collection.

If any retail gasoline dealer collects an amount upon a sale not subject to the tax imposed in section 32-1401 but which amount is purported to be the collection of such tax, or if a retail gasoline dealer collects an amount upon a sale greater than the amount of the tax so imposed thereon and does not for any reason refund the same to the purchaser who paid the same before filing the return for the period in which such occurred, such retail gasoline dealer shall account for and pay over those amounts to the City along with the tax properly collected.

Sec. 32-1404. Transmittal of tax revenue; credits and refunds.

- (a) All retail gasoline dealers shall pay to the City all taxes collected pursuant to this article. A sworn monthly return shall be filed with the Finance Director by all retail gasoline dealers in the City in a format prescribed by the Finance Director, containing such information as the Finance Director may reasonably require, including all receipts from taxable purchases of motor fuel and the tax collected therewith, which return shall be filed by the twentieth (20th) day of the calendar month next succeeding the month for which the return is made and shall be accompanied by payment of all taxes due and owing for the month covered by such return.
- (b) Every bulk user shall transmit to the Finance Department no later than the 20th day of each calendar month, a sum of money equal to the amount of motor fuel tax owing for the preceding month, accompanied by a sworn monthly return in a format prescribed by the Finance Director containing such information as the Finance Director may reasonably require.
- (c) Any person filing a return may retain 1 percent of the tax they collect to reimburse them for expenses incurred in connection with collections and remitting the tax. This commission shall not be allowed for taxes not timely remitted to the Finance Department.

Sec. 32-1405. Revenue to be used for transportation infrastructure projects.

The revenue produced by the tax imposed in Sec. 32-1401 shall be used for transportation infrastructure projects.

Sec. 32-1406. Rules and regulations.

The Finance Director shall cause the provisions of this article to be enforced and administered and in order to do so is authorized to promulgate and publish such rules and regulations and make such rulings and decisions not in conflict with this article which he/she may deem necessary to administer and enforce the provisions of this article.”

Section 3. That the 10 Year Street Improvement Plan, a copy of which is attached hereto and referenced herein as Exhibit 1, shall serve to guide the expenditure of the Local Motor Fuel Tax revenues, and that said plan will be reviewed by the City Council annually as part of the process to update the Capital Improvement Plan.

Section 4. That ten years following the effective date of this Council Bill, an evaluation of the continuing need for this funding shall be conducted. Such evaluation shall consider the available revenues for street improvements, the backlog of arterial street improvement needs, and the backlog of street reconstruction and maintenance needs.

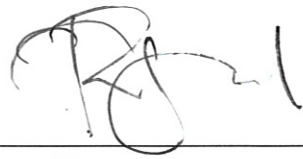
Section 5. That the City Clerk is hereby directed to publish this Ordinance so that it is effective immediately.

Section 6. If any section, paragraph, or provision of this Ordinance is held to be invalid or unenforceable, such invalidity or unenforceability of such section, paragraph, or provision shall not affect any of the remaining provisions of this Ordinance, or the provisions of the Code.

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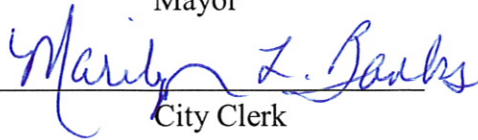
PASSED: February 7, 2012

APPROVED: _____



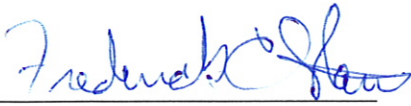
Mayor

ATTEST: _____



City Clerk

APPROVED AS TO FORM:



City Attorney

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